GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:3620
ANSWERED ON:25.08.2006
GRAM URJA PARIYOJANA
Tripathy Shri Braja Kishore

Will the Minister of POWER be pleased to state:

(a) whether the Government proposes to introduce Gram Urja Priyojana in the country to provide power to the villages;

(b) if so, the details thereof;

(c) the time by which the scheme is likely to be introduced and the number of villages to be covered in the lst phase under this scheme; and

(d) the expenditure likely to be incurred thereon and the quantum of funds earmarked for the scheme in the current plan period?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Government of India has introduced a scheme Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) in April, 2005 with an aim to electrify all villages and provide access to electricity to all rural households by 2009. Under this scheme 90% Capital Subsidy would be provided for projects for: -

(i) Creation of Rural Electricity Distribution Backbone (REDB) with one 33/11 kV (or 66/11 kV) substation in every block appropriately linked to the State Transmission System.

(ii) Creation of Village Electricity Infrastructure (VEI) for electrification of all un-electrified villages/habitations and provision of distribution transformer(s) of appropriate capacity in every village/habitation.

(iii) Decentralized Distributed Generation (DDG) and Supply System from conventional sources for Villages/Habitations where grid supply is not cost effective and where Ministry of Non-Conventional Energy Sources would not be providing electricity through their programme(s).

In addition to village and household electrification the infrastructure envisages to cater to the requirement of agriculture and other activities including

- irrigation pumpsets - small and medium industries - khadi and village industries - cold chains - healthcare - education and IT.

This would facilitate overall rural development, employment generation and poverty alleviation. 10% of the project cost will be provided as loan at 5% rate of interest.

For projects to be eligible for capital subsidy under the scheme, prior commitment of the States would also be obtained before sanction of projects under the scheme for: -

- deployment of franchisees for the management of rural distribution in projects financed under the scheme, and

- the provision of requisite revenue subsidies to the State Utilities as required under the Electricity Act, 2003.

(c) : In the first phase i.e. in last two years of X-Plan, around 50,000 villages are targeted for electrification.

(d) : Rs.5000 crore have been approved by the Cabinet for the X-Plan for this scheme. Rs.3000 crore have been allocated for the year 2006-07.